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# COVID-19 Australia reduces foreign investment review threshold to \$0



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Due to the current COVID-19, the Australian Government announced temporary changes to the foreign investment review framework - \$Nil threshold for foreign investments from 29 March 2020 until the end of the current crisis.

The Foreign Investment Review Board (FIRB) will extend timeframes for reviewing applications from 30 days to up to six months. The FIRB will prioritise urgent applications for investments that protect and support Australian businesses and Australian jobs.

The additional FIRB oversight is aimed at ensuring investments are not contrary to the national interest (including economic and national security) given the likely rise of opportunities to invest in distressed assets and the possibility of debt restructuring.



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private investors had various levels of thresholds such as \$275m and \$1,192m previously). For Australian investors, this change may provide a significant advantage in any contested M&A and capital raising transactions, given the potential timing advantages without the need for FIRB approval.

All exemptions from the operation of the FIRB legislation are still in place and are unaffected by the Treasurer’s announcement.

According to King & Wood Mallesons, a privately-owned foreign investor acquiring less than 20% in a non-land rich entity, a privately-owned foreign investor acquiring a less than 10% interest in a land rich entity or a foreign government acquiring less than 10% in an Australian company will not need to apply for FIRB approval.

Foreign investors with proposed investments into Australia should contact FIRB for details on +61 2 6263 3795, or via email at [firbenquiries@treasury.gov.au](mailto:firbenquiries@treasury.gov.au). Alternatively, they should seek legal advice on if and when to submit an application for FIRB approval.

We at GrowandSellYourBiz.com are open for business during this volatile period, using virtual ways to continue servicing our existing clients, as well as building relationships with new investors and clients. Please reach out to me on 0417 724 784 or [cissyma@growandsellyourbiz.com](mailto:cissyma@growandsellyourbiz.com) if you have any questions regarding this article or any of the services we provide.

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Uncertain times call for unusual measures - Australia has reduced foreign investment review threshold to \$0 during [#covid19](#). The attached article provides more details. Do you think the changes are good or bad for attracting foreign investments to Australia? Please comment below. [#foreigninvestment](#) [#investmentopportunity](#) [#australiangovernment](#)


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